

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**MCom(CS) DEGREE EXAMINATION DECEMBER 2022
(Third Semester)**

Branch – CORPORATE SECRETARYSHIP

FINANCIAL & FOREX MANAGEMENT

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (5 x 1 = 5)

1. Indicate the financial management is mainly concerned with
 - (i) Arrangement of funds
 - (ii) All aspects of acquiring and utilizing means of financial resources for firm's activities
 - (iii) Efficient management of every business
 - (iv) Ensuring financial discipline in the organization
2. Which case the time of money is considered while evaluating capital investment proposals?
 - (i) Pay-back method
 - (ii) Discounted cash flow method
 - (iii) Accounting rate of return method
 - (iv) Net present value method
3. Financial leverage indicates disproportionate change in taxable income as a result of change in _____
 - (i) Operating income
 - (ii) Income
 - (iii) Cost of capital
 - (iv) Operating leverage
4. When was first Treasury bill issued in India?
 - (i) 1960
 - (ii) 1917
 - (iii) 1981
 - (iv) 1947
5. State the objective of trading in foreign exchange by a dealer of a bank.
 - (i) Make profit out of exchange rate fluctuations
 - (ii) Insulate the bank from exchange rate changes
 - (iii) Comply with exchange control regulations
 - (iv) None of the above

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 3 = 15)

6. a) State the nature of financial management.
OR
b) Analyze the types of financial decision.
7. a) Discuss the merits of pay-back method.
OR
b) Explain the term "Capital rationing".
8. a) Illustrate the difference between capital structure and financial structure.
OR
b) Compare financial leverage and operating leverage.
9. a) Apply the tools of treasury management.
OR
b) Analyze the roles and responsibilities of chief financial officer.
- 10 a) Evaluate the importance of foreign exchange market.
Or
b) Evaluate the concept of forex trading and how it works?

Cont..

SECTION -C (30 Marks)

Answer ALL questions
ALL questions carry EQUAL Marks (5 x 6 = 30)

11. a) Organize the objectives of financial management.
OR
b) Show the functions and role of financial manager.
12. a) Elucidate the factors affecting capital investment decisions.
OR
b) Categorize the techniques of capital budgeting.
13. a) Construct the features of optimum capital structure.
OR
b) Analyze the merits of EBIT-EPS analysis.
14. a) Develop the emerging trends in treasury management.
OR
b) Justify- internal control is important in treasury department.
15. a) Analyze the determinants of foreign exchange rate.
OR
b) Evaluate the scope of forex management.

Z-Z-Z

END